GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2512
ANSWERED ON:31.07.2017
Decline in Exports
Kumar Shri Kaushalendra;Singh Shri Bharatendra

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the reasons for the continuous downfall in country's exports along with the steps taken by the Government to increase the exports;
(b) the details of meeting convened with various export promotion councils along with the further consultations planned in this regard;
(c) whether the Government has stopped imports and exports during the last week of June and first week of July, 2017 due to Goods and Services Tax works; and
(d) if so, the details thereof along with the damage caused to Indian Industries as a result thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)
(a). India did not have a continuous downfall in exports. India had a positive annual export growth for the year April 2016-March 2017. In addition, India also had a positive export growth for the last nine months starting September 2016.
The Government has taken following steps to increase India's exports:

(i) The New Foreign Trade Policy (2015-20) was announced on 1st April, 2015 with a focus on supporting both manufacturing and services exports.

(ii) The Merchandise Exports from India Scheme (MEIS) has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015 with the objective to offset infrastructural inefficiencies and associated costs involved in exporting goods/products which are produced/ manufactured in India and to provide a level playing field to Indian exporters, especially those having high export intensity and employment potential. The Scheme incentivizes exporters in terms of freely transferable Duty Credit Scrips, which are transferable and can be used to pay certain Central duties/taxes including customs duties. The Scheme covers exports of 7914 tariff lines at 8 digit levels to all countries.

(iii) The Services Exports from India Scheme (SEIS) has been introduced in the Foreign Trade Policy (FTP) 2015-20 on 01.04.2015. The Scheme provides rewards at the rate of 3 to 5% on Net Foreign Exchange earnings, to service providers of notified services from India to rest of the world, in the form of Duty Credit Scrips which are transferable and can be used to pay certain Central duties/taxes including customs duties.

(iv) The Government has implemented the NiryatBandhu Scheme with an objective to reach out to the new and potential exporters including exporters from Micro, Small & Medium Enterprises (MSMEs) and mentor them through orientation programmes, counseling sessions, individual facilitation etc., on various aspects of foreign trade for being able to get into international trade and boost exports from India.

(v) As part of the "Ease of Doing Business" initiatives, the Government has launched Single Window Interface for Facilitating Trade (SWIFT) clearances project w.e.f 1st April, 2016. The scheme enables the importers/exporters to file a common electronic 'Integrated Declaration' on the Indian Customs Electronic Commerce/Electronic Data Interchange (EC/EDI) Gateway i.e. ICEGATE portal. The Integrated Declaration compiles the information requirements of Customs, FSSAI, Plant Quarantine, Animal Quarantine, Drug Controller, Wild Life Control Bureau and Textile Committee. It replaces nine separate forms required by these 6 different agencies and Customs.

(vi) Interest Equalization Scheme on pre & post shipment credit was launched to provide cheaper credit to exporters.

(vii) A new scheme called Special Advance Authorisation Scheme for export of articles of Apparel and Clothing Accessories was introduced w.e.f. 1st September 2016 wherein exporters are entitled for an authorisation for fabrics including inter lining on pre-import basis and all industry rate of Duty Drawback for non-fabric inputs on the exports.

(viii) Further, the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorization, Duty Free Import Authorization (DFIA), Export Promotion Capital Goods (EPCG) and drawback / refund of duties.

(ix) The Government launched a new scheme called Trade Infrastructure for Export Scheme (TIES) w.e.f. 15th March, 2017 with the objective to enhance export competitiveness by bridging gaps in export infrastructure, creating focused export infrastructure, first mile and last mile connectivity for export oriented projects and addressing quality and certification measures. The Central and State Agencies, including Export Promotion Councils, Commodities Boards, SEZ Authorities and Apex Trade Bodies recognised under the

EXIM policy of Government of India are eligible for financial support under this scheme.
(x) The Government has approved the proposal for notification of commitments under the Trade Facilitation Agreement (TFA) of World Trade Organization (WTO), ratification and acceptance of the Instrument of Acceptance of Protocol of TFA to the WTO Secretariat and constitution of the National Committee on Trade Facilitation (NCTF). The Trade Facilitation Agreement (TFA) contains provisions for expediting the movement, release and clearance of goods, including goods in transit. It also sets out measures for effective cooperation between customs and other appropriate authorities on trade facilitation and customs compliance issues. These objectives are in consonance with India's "Ease of Doing Business" initiative.

(b) Government regularly consults the export promotion councils and other organizations on export related issues. Government has conducted 24 consultations in this calendar year with the export promotion councils in relation to mid-term review of the Foreign Trade Policy.

(c) No madam

(d) Question does not arise

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